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November 25, 2022

COOPERATIVA REGIONAL DE CAFEICULTORES EM GUAXUPÉ LTDA. - COOXUPÉ

APPROVED BY

**EXTRAORDINARY GENERAL ASSEMBLY ON JUNE 19, 1987,**

AMENDED AND RATIFIED BY

**EXTRAORDINARY GENERAL ASSEMBLY ON OCTOBER 23, 1990,**

AGAIN, AMENDED AND RATIFIED BY

**EXTRAORDINARY GENERAL ASSEMBLY ON NOVEMBER 23, 1998,**

AGAIN, AMENDED AND RATIFIED BY

**EXTRAORDINARY GENERAL ASSEMBLY ON AUGUST 31, 2011,**

AGAIN, AMENDED AND RATIFIED BY

**EXTRAORDINARY GENERAL ASSEMBLY ON JANUARY 18, 2013,**

AGAIN, AMENDED AND RATIFIED BY

**EXTRAORDINARY GENERAL ASSEMBLY ON NOVEMBER 11, 2013,**

AGAIN, AMENDED AND RATIFIED BY

**EXTRAORDINARY GENERAL ASSEMBLY ON DECEMBER 19, 2014,**

AGAIN, AMENDED AND RATIFIED BY

**EXTRAORDINARY GENERAL ASSEMBLY ON MAY 24, 2017,**

AGAIN, AMENDED AND RATIFIED BY

**EXTRAORDINARY GENERAL ASSEMBLY ON OCTOBER 27, 2017,**

AGAIN, AMENDED AND RATIFIED BY

**EXTRAORDINARY GENERAL ASSEMBLY ON FEBRUARY 28, 2019,**

AGAIN, AMENDED AND RATIFIED BY

**EXTRAORDINARY GENERAL ASSEMBLY ON NOVEMBER 28, 2019,**

AGAIN, AMENDED AND RATIFIED BY

**DIGITAL EXTRAORDINARY GENERAL ASSEMBLY ON JULY 15, 2021,**

AND AGAIN AMENDED AND RATIFIED BY

**EXTRAORDINARY GENERAL ASSEMBLY ON NOVEMBER 25, 2022.**

# CHAPTER I

## LEGAL CHARACTERISTICS

**Article 1** - The Regional Cooperative of Coffee Growers in Guaxupé Ltda. - COOXUPÉ, is governed by its Bylaws, in accordance with current co-operative legislation.

§1<sup>st</sup> - Its registered office is in the city of Guaxupé, State of Minas Gerais, at Rua Manoel Joaquim Magalhães Gomes, nº 400, Vila Santa Bárbara, CEP 37800-000 and its jurisdiction is in the District of Guaxupé, State of Minas Gerais. -

§2<sup>nd</sup> - Within the co-operative's area of action, the Board of Directors may, at its discretion, set up Branches and advanced units or warehouses, the latter two linked to a Centre or Branch. Centre or Branch.

**Article 2** - For the purpose of admitting members, the Area of Action is municipalities located in the states of Minas Gerais, São Paulo, Rio de Janeiro, Goiás, Espírito Santo and Bahia, and the Area of Action may be extended to other states at the discretion of the Board of Directors.

**Article 3** - The company's duration is indefinite.

**Article 4** - The company year runs from 1st January to 31st December.

## CHAPTER II

### THE INSTITUTIONAL OBJECTIVE, GENERAL POLICIES AND STRATEGIES

**Article 5** - The Society's institutional objective is to observe and improve the economic and social quality of life of its members.

**Article 6** - In fulfilling this basic purpose, the Cooperative's general policy will be to practice the principle of mutual aid, with a view to defending the interests and economic and social promotion of its members.

**Sole Paragraph** - The cooperative is authorized to act as a procedural substitute in defense of the collective rights of its members concurrent extraordinary autonomous legitimacy.

**Article 7** - In the light of this General Policy, the Co-operative has established the following strategic lines of action as its primary form of action, always in accordance with its possibilities.

§1<sup>st</sup> - Commercialization: through the joint sale of products harvested and/or produced by its members, including all those operations specific to commercialization services in their broadest sense and indicated in §1<sup>st</sup> of Article 8, Chapter III. §2<sup>nd</sup> - Warehousing Services: by carrying out the corresponding operations, including, where appropriate, registration as a General Warehouse.

§3<sup>rd</sup> - Supply Services: by jointly purchasing and supplying their members with items that are necessary and/or useful for their economic and/or personal or domestic activities.

§4<sup>th</sup> - Financial Services: through term sales, credits and financing.

§5<sup>th</sup> - Technical Services: through technical assistance that promotes the rationalization of means and processes and, in general, productivity in all the members' activities.

§6<sup>th</sup> - Social Services: through the development, with its own resources or through agreements with specialized public or private entities, of human promotion activities, including, for example, medical assistance, the provision of cultural, sports and leisure services and others that correspond to the interests of optimizing the personal and social quality of life of members, employees of the Cooperative and their respective families.

## **CHAPTER III**

### **THE TACTICAL OBJECTIVES**

**Article 8** - The following Tactical Procedures are established for each of the strategic lines defined in Chapter II, Art. 7th, considering those listed in the following paragraphs as the main ones, and without excluding any others that remain consistent with the corresponding strategy.

§1<sup>st</sup> Commercialization:

- a) Receiving, classifying, processing, re-processing, standardizing and industrializing all or part of the agricultural, livestock and any other type of production related to the Cooperative's operations, originating from the activities of its members;
- b) Develop and organize reception services for members' products, in such a way as to achieve good conditions of preservation and safety and, at the same time, rationalize the transport of production to warehouses or the consumer market;
- c) To ensure, for all products sold jointly, adequate distribution channels and placement on internal and external consumer markets;

d) To provide, for the optimum fulfilment of the above objectives, facilities, machinery and warehouses as and where required, including by lease;

e) Adopt a duly registered trademark for products received and/or industrialized and ensure their promotion through compatible advertising and/or publicity.

§2nd - Storage services, if required:

a) To register as a General Warehouse, issuing bills of lading and warrants for products stored in its own or leased warehouses;

b) Also, practice the alternative of issuing other securities arising from its normal activities.

applying, where applicable, specific legislation, in accordance with Art. 82 of Law no. 5,764 of 16 December 1971.

3rd - warehousing services:

a) Acquire and/or, when possible and of interest, produce and supply to its members, by means of invoicing and/or service fees, items that are necessary or useful to them for the operation of their agricultural activities, including machinery, implements, fuel, lubricants and any other inputs intended for the activities of the members;

b) Acquire and/or produce and supply, according to the Cooperative's convenience and possibilities, all kinds of utilities, foodstuffs, personal and household products, through the same system;

c) Install, where necessary and convenient, warehouses and storerooms in places that facilitate the distribution of the items referred to above;

d) To purchase any other items required by members for their farming activities in general, as long as they are consistent with the Co-operative's common interests.

§4st - Financial Services:

a) To sell, as far as possible, the items mentioned in §3 above;

b) Providing support and directing members to obtain financing conditions from credit institutions;

c) Enabling, through intermediary action and support for the practice, when necessary and justified, and bank credits;

d) Within pre-established parameters and according to the viability of the circumstances, make advances on account of future deliveries, through credit notes, accompanied by documents that ensure delivery of the respective production;

e) Operate with members, in accordance with pre-established parameters and the viability of the circumstances, in the form of Financial Rural Product Certificates.

§Paragraph 5 - Technical Services:

a) Protect the success of the cooperative system by all possible technical means, installing and/or promoting any services aimed at the development of production, the rationalization of means and processes and the economic optimization of conditions of use;

b) Undertake initiatives and carry out technical assistance plans that promote the productivity of co-operative members' activities in all compatible ways.

§Paragraph 6 - Social Services, within the established parameters and according to the viability of the circumstances:

- a) Drawing up, gradually implementing and constantly updating a general plan of initiatives for human promotion, aimed at improving the Cooperative;
- b) Providing medical and dental services;
- c) Provision of cultural services, economic education (cooperativism) and administrative guidance (family microeconomics), budget education and planning;
- d) Provision of social and sports development services to the respective communities affected by the Cooperative's activities;
- e) Feasibility studies and possible implementation of rural electrification plans and means of communication.

Provision of administrative guidance services;

a) Providing other services compatible with the specific objectives of the general human development plan mentioned in point "a" of this paragraph, including support for the Cooperative's Employees' Association.

**Article 9** - In order to comply with the tactical objectives mentioned in paragraphs 1, 2, 3 and 6 of Article 8, the Cooperative may develop projects, plans and programs for civil construction, maintenance of works, as well as other mechanical, hydraulic and similar projects, carried out by itself or by third parties, exclusively for its operational needs.

**Article 10** - In order to meet any of the Cooperative's objectives, it may take part in mergers, break-ups, incorporations, partnerships or affiliations with other cooperatives, as well as strategically allying itself with and taking part in non-cooperative companies, subject to the terms of the legislation in force.

**Sole paragraph** - It may also operate with non-members within the authorized limits.

## CHAPTER IV

### CAPITAL STRUCTURE

**Article 11** - The Cooperative's share capital is subdivided into shares, is unlimited as to the maximum and is variable according to the number of shares subscribed, and may not be less than R\$4,000,000.00 (four million reais).

§1<sup>st</sup> - The unit value of the share is one monetary unit in force in the country.

§2<sup>nd</sup> - The share is indivisible.

§3<sup>rd</sup> - Each member must initially subscribe capital proportional to the economic expression of their property, according to the table approved from time to time by the Board of Directors, which shall also include the minimum subscription required.

§4<sup>th</sup> - Members must pay up their shares in cash.

§5<sup>th</sup> - Every two years, in accordance with Article 27, Paragraph 2 of Law 5.764 of 16.12.71, the Cooperative may, at the discretion of the General Meeting, establish the adjustment of the member's share capital to the conditions in force, in accordance with the third paragraph of this article.



§6<sup>th</sup> - Upon reaching 75 (seventy-five) years of age, the member may request the return of his/her share capital, in the manner established by the Board of Directors, without the need to leave the membership, provided that any debts are deducted and the minimum amount of capital required remains paid in;

§7<sup>th</sup> - The capital referred to in paragraph 6 of this article shall cease to be part of the Co-Operative's net worth if the member's formal request is approved by the Board of Directors;

§8<sup>th</sup> - At the discretion of the Board of Directors, the refund referred to in paragraph 6 of this article may be interrupted.

**Article 12** - Shares are non-negotiable and can only be transferred, in whole or in part, to other members.

§1<sup>st</sup> - The subscription, payment, transfer or refund of shares must be recorded in the Registration Documents.

§2<sup>nd</sup> - Transfers of shares, in whole or in part, shall be recorded by means of a document signed by the transferor, the transferee and the Chairman of the Cooperative.

§3<sup>rd</sup> - Although the shares may not be pledged to third parties under any circumstances, they may nevertheless be used as a basis, in real value, as a second guarantee for the obligations that the member contracts with the Cooperative.

**Article 13** - The General Meeting may establish annual capital increases by withholding a percentage of members' transactions with the respective services, or of net surpluses, calculated on the basis of criteria presented by the Cooperative's Board of Directors.

§Paragraph 1 - Members who wish to do so may always subscribe an amount above the established and/or mandatory limits, in compliance with legal and statutory requirements.

§Paragraph 2 - On the other hand, if the member so wishes, the Cooperative may accept a subscription at any time and for any amount, provided that:

- a) The member has already paid up the minimum subscriptions and any other mandatory subscriptions;
- b) Such subscriptions are the exclusive initiative and interest of the member;
- c) They can be refunded to the member, as agreed.

§Paragraph 3 - Other amounts may also be subscribed by members who are interested in financing the installation of new services, with other members who wish to use the same services being subject to the same subscription.

§Paragraph 4 - For the purposes referred to in paragraph 3 above, it shall be up to the Board of Directors to determine the amount of capital to be subscribed and paid in by the member wishing to make use of such operations and/or specific services that may thus be created, using the common criteria of proportionality.

§5<sup>th</sup> - The readjustment provided for in the previous paragraph will not amount to discrimination, since it will be mandatory only for

mandatory only for members who wish to make use of a particular service that is of exclusive interest to them.

§6<sup>th</sup> - On a proposal from the Board of Directors, the Ordinary General Meeting shall distribute or credit interest of up to 12% (twelve percent) p.a. on the paid-in capital, if there are surpluses.

## CHAPTER V

### CORPORATE STRUCTURE

#### SECTION I

#### ADMISSION, RIGHTS, DUTIES AND RESPONSIBILITIES OF MEMBERS

**Article 14** - Any person who engages in agricultural or extractive activities, on their own account, on property they own or on property exploited under an agrarian contract, within the company's area of action, with free disposal of their person and property, who does not engage in activities that harm or conflict with the company's interests and objectives, may join the Cooperative, unless there is a technical impossibility of providing services, provided that the candidate for membership obtains approval from the Board of Directors.

§1<sup>st</sup> - The number of members is unlimited in terms of the maximum, and under no circumstances may it be less than 20 (twenty) individuals.

§2<sup>nd</sup> - Legal Entities may also join the Cooperative if they meet the conditions described in this Article and fall within the Company's objectives, as may Single Cooperatives.

§3<sup>th</sup> - In the case of members provided for in Paragraph 2, for voting purposes, such members shall have one vote each, which shall be exercised by the representative of the Legal Entity.

§Paragraph 4 - Only Legal Entities that comply with Law 5.764 of December 16, 1971, in its article 29, Paragraph 2, may be admitted as members.

**Article 15** - In order to become a member, after complying with the provisions of the previous Article, the candidate must agree to the provisions of these Bylaws and not engage in any activity that harms or conflicts with the interests of the Cooperative. In this condition, the candidate shall fill in the admission proposal provided by the Cooperative and sign it with two (2) members.

**Sole Paragraph** - Once the proposal has been approved by the Board of Directors, the candidate subscribes and pays up the Capital shares under the terms and conditions set out in these Bylaws and signs the Registration Document, thus completing their admission to the Company.

**Artico 16** - By complying with the provisions of the previous Article, the member acquires all the rights and assumes all the duties and obligations arising from the Law, these Bylaws and the decisions taken by the Cooperative.

§1<sup>st</sup> - Members have the right to:

a) Take part in Meetings and vote on matters dealt with therein, once the legal and statutory conditions have been met;

- b) Propose measures of interest to the Co-operative to the Board of Directors or General Meetings;
- c) To vote and be voted for in the election of members of the Board of Directors and the Physical Council, respecting the restriction that Legal Entities cannot be voted for, once the legal and statutory conditions have been met;
- d) Resign from the Society at their convenience, once their commitments to the Cooperative have been settled;
- e) During the 10 (ten) days prior to the Ordinary General Meeting, consult the "Management Report and Financial Statements" at the Cooperative's head office, which must be available to the member upon prior notice.

§2<sup>nd</sup> - Members have the duty and obligation to:

- a) Deliver their production to the Cooperative and carry out with it the other operations that constitute its economic and social objectives, in accordance with the rules and conditions established by the Board of Directors;
- b) To subscribe and pay in the capital shares under the terms of these Bylaws and to contribute to the service fees and operating charges that are established;
- c) Comply with the provisions of the Law, the Bylaws, resolutions regularly passed by the Board of Directors and resolutions passed at General Meetings;
- d) Actively participate in the corporate and business life of the Cooperative and punctually meet their commitments to it;
- e) Contribute what they can, in accordance with the provisions of these Bylaws, to cover the expenses of the Cooperative;
- f) To provide the Cooperative with clarifications related to the activities that enable them to join;
- g) To pay its share of any losses recorded in the Balance Sheet, if the Reserve Fund is not sufficient to cover them if the Reserve Fund is not sufficient to cover them;
- h) To perform with the Cooperative those operations that correspond to its activities as a member, always in accordance with the strategic policies and objectives that constitute the form and purpose of the Society's actions.

§3 - The delivery of the member's production to the Cooperative, as described in item "a" of §2 of this Article, implies the granting of full powers to the Cooperative for its free disposal, including encumbering it and using it as collateral for credit operations carried out by the Society. §4 - Members, in light of the rights set forth in §1 of this Article and the obligations referred to in §2 thereof, shall be distinguished respectively by the proper enjoyment and fulfillment of these rights and obligations, with emphasis on operational fidelity. Based on this, the Board of Directors will establish criteria to implement a corresponding differential in service across various activities, depending on the degree of compliance with operational fidelity at different levels, which is an essential characteristic of cooperative attitude and governance.

**Article 17** - In accordance with item "g" of §2 of Article 16 of this Bylaws and as provided for by Article 89 of Law No. 5,764 of December 16, 1971, losses incurred during the fiscal year shall be covered by resources from the Reserve Fund, and if this is insufficient, by apportionment among the members in direct proportion to the services specifically enjoyed.

§1<sup>st</sup> - Thus, in the specific case strictly outlined in the "caput" of this Article, the member's liability shall be limited to losses proportionate to their involvement in cooperative acts.

§2<sup>nd</sup> - However, regarding the Cooperative's obligations, given its limited liability nature under the strict terms of Article 11 of Law No. 5,764 of December 16, 1971, the member shall be subsidiarily liable for the commitments referred to in this paragraph, solely up to the amount of capital they have subscribed.

§3<sup>rd</sup> - The member's liability for the Society's commitments to third parties continues for those who have resigned, been expelled, or withdrawn, until the accounts of the fiscal year in which the separation occurred are approved. It can only be invoked after being judicially demanded from the Cooperative.

§4<sup>th</sup> - The obligations of deceased members, incurred with the Cooperative and arising from their responsibilities as members to third parties, as stated in the preceding paragraphs of this Article and in any other provisions of this Bylaws, pass to their heirs, but are subject to a one-year prescription period from the date of the opening of succession.

§5<sup>th</sup> - On the other hand, similarly, the heirs of a deceased member have the right to the contributed capital and other credits belonging to the deceased member, ensuring their right to remain in the Cooperative, provided they meet the legal conditions and those established in this Bylaws.

**Article 18** - As a consequence of the provisions established in the immediately preceding Article 17 and in consistency with the determinations expressly provided by Article 11 of Law No. 5,764 of December 16, 1971, COOXUPÉ - COOPERATIVA REGIONAL DE CAFEICULTORES EM GUAXUPÉ LTDA. shall, in turn, be liable to third parties in its own strict capacity as a legal entity of limited liability, that is, solely up to the amount of capital subscribed by its members.

§1<sup>st</sup> - In the event of the Cooperative's association with other Singular Cooperatives or its affiliation with Central Cooperatives, its liability to such societies shall be limited solely and specifically to losses incurred strictly corresponding to its transactions with them. This liability is also strictly limited to the amount of capital subscribed by the Cooperative in these societies, concerning other losses.

§2<sup>nd</sup> - In any scenario involving the dissolution and liquidation of the Cooperative Society, strict adherence shall be given to the provisions of Article 68 of Law No. 5,764 of December 16, 1971, encompassing all its clauses from I to XI, with the exception of clause VIII, expressly not applicable to the Limited Liability Cooperative as characterized in the texts of this Bylaws.

## **SECTION II**

### **RESIGNATION, ELIMINATION**

### **E EXCLUSION OF MEMBERS**

**Article 19** - The resignation of members occurs solely at their request, which shall be submitted to the President, who will then present it to the Executive Board and record it in the Membership Document through a signed statement by the President.

**Article 20** - The elimination of a member, which is applied due to violation of the Law or these Bylaws, is decided by the Board of Directors after a maximum of three written notifications to the offender. The reasons for the elimination must be recorded in a statement in the Membership Document and signed by the President of the Cooperative.

§1<sup>st</sup> - The Board of Directors may eliminate a member who:

- a) Engages in any activity deemed detrimental to the Cooperative or conflicting with its objectives;
- b) Is involved in defamation, slander, libel, or actions harmful to the Society;
- c) Fails to operate with the Cooperative as specified in Article 16, §2, with emphasis on item "a", i.e., fails to deliver their production to the Cooperative and diverts it to intermediary trade;
- d) Does not engage with the Cooperative for more than one year, indicating complete non-participation in both joint sales and joint purchasing operations;
- e) Causes the Cooperative to resort to legal actions to enforce obligations incurred by them, after all possible amicable means to collect their credit have been exhausted;
- f) After being notified, continues to violate provisions of the Law, these Bylaws, or resolutions of the cooperative.

§2<sup>nd</sup> - An authenticated copy of the decision shall be sent to the interested party within 30 (thirty) days, through a process that proves the dates of dispatch and receipt.

§3<sup>rd</sup> - The eliminated member may, within 30 (thirty) days from the date of receipt of the notification, appeal with suspensive effect to the first General Assembly.

**Article 21** - The exclusion of a member shall be carried out necessarily in the following cases:

I - Upon dissolution of a Legal Entity;

II - Upon death of a Natural Person;

III - Due to unremedied civil incapacity;

IV - For failing to meet the statutory requirements for admission or continued membership in the Cooperative.

Sole Paragraph - The exclusion of a member based on the provisions of item IV of this Article shall be decided by the Board of Directors, in which case the provisions of Article 20, paragraphs 2<sup>nd</sup> and 3<sup>rd</sup>, shall apply.

§1<sup>st</sup> - The reimbursement mentioned in this article can only be demanded after the approval by the General Assembly of the Balance Sheet of the fiscal year in which the member was dissociated from the Cooperative.

§2<sup>nd</sup> - The Cooperative's administration may determine that the owed reimbursement be made in equal monthly installments, starting from the following financial year after their dissociation.

§3<sup>rd</sup> - The reimbursement shall be carried out in the following manner:

**Article 22** - In any case of resignation, elimination, or exclusion, the member is entitled to the reimbursement of the capital they have paid in, any surplus credited to them, and other credits in their account, minus any debts.

§1<sup>st</sup>- The reimbursement mentioned in this article can only be demanded after the approval by the General Assembly of the Balance Sheet of the fiscal year in which the member was dissociated from the Cooperative.

§2<sup>nd</sup>- The Cooperative's administration may determine that the owed reimbursement be made in equal monthly installments, starting from the following financial year after their dissociation.

§3<sup>rd</sup>- The reimbursement shall be carried out in the following manner:

- a) Fully and at once, in the event of the member's death;
- b) Within up to 3 (three) years from the date of resignation, elimination, or exclusion, at the discretion of the Board of Directors;
- c) The interest on the capital account, in any case of reimbursement, ceases with the last accounting based on the Ordinary General Assembly immediately prior to their resignation, elimination, or exclusion.

§4<sup>th</sup> - In the event of resignations, eliminations, and exclusions of members in numbers that could threaten the economic and financial stability of the Cooperative, the Cooperative may reimburse them according to criteria that safeguard its continuity.

§5<sup>th</sup> - The obligations of the member continue for those who have resigned, been eliminated, or excluded until the accounts of the fiscal year in which the dissociation occurred are approved by the General Assembly.

## CHAPTER VI

### ADMINISTRATION STRUCTURE

**Article. 23** - The Cooperative shall have the following organs and bodies:

I - GENERAL ASSEMBLY;

II - BOARD OF DIRECTORS;

III - EXECUTIVE BOARD;

IV - FISCAL COUNCIL. §1 - The General Assembly, the Board of Directors, and the Executive Board are organs.

§1<sup>st</sup> - The General Assembly, the Board of Directors, and the Executive Board are deliberative and decision-making bodies within the limits of their competencies.

§2<sup>nd</sup> - The Fiscal Council is an auditing and oversight body, with actions defined by law and statutory implementation.

§3<sup>rd</sup> - It is prohibited for spouses, ascendants, descendants, and collateral relatives up to the second degree (by consanguinity or affinity) of administrators or members of the Fiscal Council to participate concurrently in the Board of Directors and the Fiscal Council.

### SECTION I

#### GENERAL ASSEMBLY

**Article 24** - The General Assembly of Members, which may be Ordinary or Extraordinary, is the supreme body of the Cooperative, with powers within the limits of the law and this Social Statute, to make any decision of social interest, and its resolutions bind everyone, even those absent or dissenting.

**Article 25** - The Assembly is chaired by the President and convened by the same, following deliberations of the Board of Directors. §1 - Once its motivation is justified, 20% (twenty percent) of the members eligible to vote may request the President to convene the Assembly, and in case of refusal and/or after 10 (ten) days from the date of the request without response, they may convene it themselves, choosing an "ad-hoc" President. §2 - If serious and urgent reasons occur and whenever the Fiscal Council deems it necessary, it may convene an Extraordinary General Assembly, after suggesting it to the President, and in case of refusal, immediately.

**Article 26** - The member shall not participate in the General Assembly if:

- a) They were admitted after its convocation;
- b) They are in violation of any provision of §2 of Article 16 of this Statute.

**Article 27** - In any of the situations referred to in Article 25, General Assemblies shall be convened with a minimum notice of 10 (ten) days for the first call, with an interval of one hour between the first and second calls, and an interval of one hour between the second and third calls. General Assemblies where elections for the Board of Directors and/or Fiscal Council are to be held shall be convened with a minimum notice of 45 (forty-five) days for the first call, with an interval of one hour between the first and second calls, and an interval of one hour between the second and third calls.

**Sole Paragraph** - The three calls can be made in a single notice, provided that the deadlines for each of them are expressly stated therein.

**Article 28** - The Notices of Convocation of General Assemblies must include: a) The name of the Cooperative, registration number in the National Registry of Legal Entities - CNPJ, followed by the Article 28 - The Notices of Convocation of General Assemblies must include:

- a) The day and time of each call, as well as the address of the venue, which, unless justified, shall always be the headquarters of the Cooperative;
- b) The sequential ordinal numbering of the calls;
- c) The agenda of the proceedings, with specific details;
- d) The number of members existing on the date of issuance, for the purpose of calculating the legal quorum for the meeting and considering the representation criteria.

Name in full and the respective signature of the person responsible for the convocation.

§1 - In the case of the convocation being made by a member, the Notice must be signed by at least the first 5 (five) signatories of the document that requested it, respecting also what is stated in §1 of Article 25.

§2 - The Notices of Convocation are posted in visible locations within the premises most commonly frequented by members, published in newspapers, and communicated through circulars to the members.

**Article 29** - The Legal Quorum for the installation of the General Assembly is as follows: a) 2/3 (two-thirds) of the number of members, on the first call; b) Half plus one of the members, on the second call; c) Minimum of 10 (ten) members, on the third call. §1 - Even on the third call, the General Assembly can only proceed with the presence of at least half plus one of the members responsible for the convocation, in cases corresponding to the scenario provided in §1 of Article

25. §2 - For the purpose of verifying the "quorum" as mentioned in this Article, the number of members present at each call is determined by their signatures in the Attendance Book, and the same applies to the scenario covered in §1 above.

**Article 30** - In the event of a lack of quorum for the installation of the Assembly called under Article 27, a new convocation shall be made, also with a minimum notice of 10 (ten) days. §1 - If there is still no legal number for its installation, the intention to dissolve the Society may be considered.

§2<sup>nd</sup> - The provisions of the preceding paragraph do not apply to cases of Assemblies convened based on §1 of Article 25.

**Article 31** - The member present at the General Assembly is entitled to only one vote, regardless of the number of their share units, observing the case provided in Article 14, paragraph 3. In the case of joint membership of members in condominiums, only the primary member has the right to vote and be voted upon.

**Sole Paragraph** - Members are not allowed to be represented at General Assemblies by proxy or attorney, except for Legal Entities, including Singular Cooperatives, associated under the terms of paragraph 2 of Article 14.

**Article 32** - It is within the competence of the General Assemblies, Ordinary or Extraordinary, to dismiss members of the Board of Directors and the Fiscal Council.

§1<sup>st</sup> - In the event of a dismissal that could compromise the regularity of the Administration or Oversight of the Entity, the Assembly must appoint new members to the Board of Directors or the Fiscal Council, as provided in the sole paragraph of Article 39 of Law No. 5,764 of December 16, 1971.

§2<sup>nd</sup> - Dismissals of members of the Board of Directors shall arise from serious acts contrary to the statutes, laws, and administrative probity, or from violations of the provisions of Article 20 and its paragraphs of this Social Statute

**Article 33** - The proceedings at General Assemblies shall be chaired by the President, who is assisted by another Director appointed by him.

§1 - It is the President's responsibility to ensure the presence or replacement of the Secretary responsible for the Minutes of the Assemblies.

§2<sup>nd</sup> - When the General Assembly has not been convened by the President, the proceedings shall be chaired by members invited by them, with the main parties interested in the convocation also sitting at the head table.

**Article 34** - Holders of social positions, as well as any other members, although they may not vote on decisions concerning matters directly related to them, including those related to financial statements, are not deprived of participating in their respective discussions.



**Article 35** - During General Assemblies where the Balance Sheet and Financial Statements of the fiscal year are discussed, the President of the Cooperative, immediately after reading the Management Report, the Financial Statements, the Fiscal Council's opinion, and the Accounting Audit Reports, requests the assembly to approve one by one their suggestions of members to coordinate the debates and the voting on the matter.

§1<sup>st</sup> - After handing over the direction of the proceedings, the President, Directors, and Fiscal Council members leave the table but remain in the room, available to the Assembly for any clarifications requested.

§2<sup>nd</sup> - The appointed coordinator selects from among the members a Secretary for that act ("ad-hoc") who will assist in drafting the decisions to be subsequently included in the Minutes by the Assembly Secretary.

**Article 36** - The resolutions of the General Assemblies shall only concern matters specified in the Notice of Convocation and those directly or immediately related to them.

§1<sup>st</sup> - Typically, voting shall be open, according to a specific convention or customary practice, including acclamation. However, the Assembly may opt for secret voting, in which case usual norms shall be followed.

§2<sup>nd</sup> - Everything that occurs at the General Assembly must be detailed in a comprehensive Minutes, recorded in the appropriate book, read, approved, and signed at the end of the proceedings by a committee of 8 (eight) designated members and by any others who wish to sign.

§3<sup>rd</sup> - In the event that the General Assembly is not convened by the President or the Fiscal Council but by members in accordance with §1 of Article 25, the committee of members mentioned in the preceding §2 must consist of at least 2/3 (two-thirds) of the members present, under penalty of nullity of the deliberations recorded in the respective Minutes.

§4<sup>th</sup> - Except in cases provided for in Article 39 of this Social Statute and in accordance with its sole paragraph, resolutions of the General Assemblies are adopted by a majority vote of the members present with voting rights, with the President having a casting vote in case of a tie.

§5<sup>th</sup> - The action to annul resolutions adopted at a General Assembly due to error, fraud, or violation of the law and/or this Statute, prescribes in 4 (four) years, starting from the date the Assembly was held.

## **SECTION II**

### **ORDINARY GENERAL ASSEMBLY**

**Article 37** - The Ordinary General Assembly, which must be held once a year during the first quarter following the end of the fiscal year, shall deliberate on the following matters, which must be included in the Agenda:

I - Accountability of the Management bodies, accompanied by the Opinion of the Fiscal Council, comprising: a) Management Report; b) Balance Sheet; c) Statement of Surplus and Losses; d) Opinion of the Fiscal Council.

II - Proposals from the Board of Directors regarding the allocation of surplus or covering of losses, deducting mandatory allocations to funds in the former case;

III - Election of members of the Board of Directors and the Fiscal Council;

IV - In the Assembly where the above election occurs, proposals regarding the remuneration process for Executive Directors as provided in the statutory terms, as well as the value of

Attendance Fees for other members of the Board of Directors and the Fiscal Council for attending their respective meetings

III - Any matters of social interest, excluding those listed in Article 39 of this Statute.

§1<sup>st</sup> - Members of the Board of Directors and the Fiscal Council cannot participate in the voting on the matters referred to in items I and IV of this Article.

§2<sup>nd</sup> - The approval of the Report, Balance Sheet, and Accounts of the Cooperative releases the holders from responsibility, except in cases of fraud, deceit, or violation of the law or this Social Statute.

§3<sup>rd</sup> - Upon the commencement of the General Assembly, it must first decide on any appeals presented.

### **SECTION III**

#### **ORDINARY GENERAL ASSEMBLY**

**Article 38** - The Extraordinary General Assembly is held whenever necessary and may deliberate on matters of interest to the Society, provided they are mentioned in the Notice of Convocation.

**Sole Paragraph** - Where this Statute does not specify otherwise, the Extraordinary General Assembly shall be governed by the same regulatory procedures established for the General Assembly, as outlined in Section I of this Chapter.

**Article 39** - It is within the exclusive competence of the Extraordinary General Assembly to deliberate on the following matters:

I - Amendment of the Bylaws, as well as any decisions necessary for the effective implementation of the new statutory terms;

II - Merger, Incorporation, or Spin-off;

III - Change in corporate objectives;

IV - Voluntary dissolution of the Company and appointment of liquidators;

V - Accounts of the liquidator.

**Sole paragraph** - The votes of 2/3 (two-thirds) of the associates present are required to validate the deliberations provided for in this Article.

### **SECTION IV**

#### **BOARD OF DIRECTORS**

**Article 40** - The Cooperative shall be managed by a Board of Directors consisting of an Executive Board and non-executive members.

**Article 41** - The Board of Directors shall consist of 9 (nine) regular members, all associates, elected in a General Assembly for a term of 4 (four) years, eligible for reelection or removal, with a mandatory renewal of at least 1/3 (one-third).

**Sole paragraph** - Upon assuming the position as a member of the Board of Directors of COOXUPÉ, the elected member shall assume joint responsibility for guarantees and sureties provided by the replaced members.

**Article 42** - The Executive Directors shall be appointed from and by the members of the Board of Directors, with one of them serving as President and others as necessary, as established in the Organizational Structure of the Society.

§1<sup>st</sup> - The number of executive directorships specified in this Organizational Structure shall be determined by the Board of Directors, based on the evolving processes of operational strategies and services beneficial to the Society.

§2<sup>nd</sup> - In the event of removal of members of the Board of Directors, the corresponding statutory norms shall be followed, with emphasis on Article 32 and its paragraphs.

§3<sup>rd</sup> - However, in cases of removal of an Executive Director, the individual may remain as a non-executive member of the Board of Directors.

§4<sup>th</sup> - Furthermore, an Executive Director may be replaced by a member of the Board of Directors who was previously serving as a Non-Executive Director, thereby having the replaced individual become a Non-Executive Director, whenever such replacements are deliberated by the Board of Directors in the interest of the Society.

§5<sup>th</sup> - Under no circumstances shall the number of members of the Executive Directorate exceed 1/3 (one-third) of the total number of members of the Board of Directors.

**Article 43** - As the Board of Directors is composed of non-executive members and an Executive Board, the operation and responsibilities of the latter shall be subject to regulation through Internal Rules, drafted by the Board of Directors. These rules shall encompass the Organizational Structure of the Society, ensuring they do not conflict with the provisions of the Law and/or this Social Statute.

**Article 44** - The elections for the Board of Directors, with terms of 4 (four) years in accordance with Article 41 of this Social Statute, shall follow the following process:

I - Any associate in full exercise of their rights may stand for election to the position of member of the Board of Directors, provided they meet the legal and statutory conditions; II - Each individual candidate must present themselves as part of a slate of 9 (nine) candidates for regular members, with mandatory indication on the slate of the future election coordinator for the President of the Board; III - The slate must be submitted to the Cooperative's Secretariat at least 35 (thirty-five) calendar days before the General Assembly date, by 6:00 PM.

III - Candidates for or members of the Board of Directors, in addition to those ineligible as enumerated in Article 55 of this Statute, cannot have familial ties up to the 2nd degree, either in direct or collateral lines, among themselves or with members of the Fiscal Council.

IV - For a plate to be considered eligible for registration, it must meet the following requirements:

a) It must be composed of candidates who are not registered in the same Core/Branch of COOXUPÉ, thereby limiting to one candidate per Core/Branch; b) A candidate who is individually registered in one Core/Branch and is also a titular member in a joint membership in another Core/Branch, respecting point "a" of this section, may choose which of these Core/Branches to be presented for the purposes of the following point of this section; c) Each candidate must have been presented, with a support list subscribed to, by at least 5% (five percent) of the members registered in the Core/Branch in which the candidate is registered, observing the preceding point of this section. After the Call Notice for the Assembly is published, each Core/Branch will display a list of its members on a panel intended for notices to these members.

a) Must have been presented, with a support list subscribed to, by at least 5% (five percent) of the total members of the Cooperative, as stated in the Call Notice for the Assembly, with this percentage already including that indicated in the preceding point of this section;

b) Must designate a representative, not part of the slate, to oversee the voting and tallying of election results;

c) Must provide, for each candidate, a signed authorization for their inclusion in the slate, and for the purposes outlined in point "a" of Article 55 of this Social Statute, a clearance certificate from civil and criminal records from the Districts where they have resided in the last 5 (five) years, as well as from the Districts where they own property. In case of a positive record, a certificate of "object and status" of each proceeding must be presented.

d) The plate must be composed of natural person associates who, in addition to meeting the legal and statutory requirements, can prove:

d.1) They have been an associate for more than 4 (four) years, either as an individual member or as a titular member in joint membership (i.e., joint membership of associates);

d.2) Submission of the Income Tax Return for the last fiscal year;

d.3) They are not ineligible as per Article 55 of this Social Statute.

IV - For the purposes stipulated in section "V" of this Article, no associate may present more than 1 (one) slate, under penalty of their name being eliminated from any other slate(s) where their name appears and was submitted to the Cooperative's Secretariat subsequent to their first plate.

V - Each candidate must commit irrevocably and irreversibly that, if elected, they will either replace or, if unable to do so, assume joint responsibility for personal guarantees and sureties of the Directors and their spouses, whose terms have expired, in contracts already entered into and those to be entered into by the Cooperative with banks, suppliers, and other public or private entities.

III - The application for registration of the slate, submitted to the Cooperative's Secretariat as per section III of this Article, along with the support list, shall be made available for consultation by any associate at the headquarters' Secretariat of the Cooperative. In the event of a challenge, it must be submitted by the concerned associate to the slate coordinator, as follows:

- a) Within 2 (two) business days, until 6:00 PM, counted from the end of the deadline for submitting the slate, the slate coordinator may file any challenges through a written and reasoned petition to be received and adjudicated by the Electoral Commission.
- b) Within 5 (five) business days, until 6:00 PM, counted from the end of the deadline stated in the preceding paragraph of this section, the Electoral Commission shall review and decide whether the slate is eligible for registration, and shall also adjudicate any challenges raised.
- c) Within 3 (three) business days, until 6:00 PM, counted from the end of the deadline stated in the preceding paragraph of this section, the slate coordinator shall address and rectify any irregularities, if determined by the Electoral Commission, under penalty of the slate being considered ineligible for registration in the elections. During this same period, the slate coordinator may also file an appeal if they disagree with the decision of the Electoral Commission.
- d) Within 2 (two) business days, until 6:00 PM, counted from the end of the deadline stated in the preceding paragraph of this section, the Electoral Commission shall adjudicate any appeal that may have been filed. This decision shall be final and not subject to further appeal.
- e) Within 2 (two) business days, until 6:00 PM, counted from the end of the deadline stated in the preceding paragraph of this section, the Slate Coordinator must address and rectify any irregularities, if determined by the Electoral Commission, under penalty of the slate being considered ineligible for registration in the elections.
- f) Within 1 (one) business day, until 6:00 PM, counted from the end of the deadline stated in the preceding paragraph of this section, the slate considered eligible by the Electoral Commission shall be registered.

III - Omitted cases shall be governed by the Board of Directors; IV - Candidates for the Board of Directors and the Fiscal Council shall form a single plate, although independent from each other, whenever there is an election for the former.

§1<sup>st</sup> - Before the publication of the Notice of Meeting of the Assembly where elections are held, the Board of Directors, together with the Fiscal Council, shall establish a Commission, named "Electoral Commission", composed of non-candidates for elective positions in the Cooperative, with the responsibility to coordinate the general work related to the electoral process of the members of the Board of Directors and the Fiscal Council. The Electoral Process shall be regulated by the Board of Directors. At its discretion and in accordance with said regulation, the Electoral Commission may have other responsibilities.

§2<sup>nd</sup> - At the discretion of the Board of Directors, the Electoral Commission may conduct any Electoral processes in subsequent years to the one in which it was established, without the need for new annual deliberations by the Board of Directors.

**Article 45** - The elected Councilors shall choose among themselves, always in accordance with statutory provisions, the members who will hold the various responsibilities and functions required for the adequate Organizational Structure of the Society.

§1<sup>st</sup> - This selection must occur within a maximum of one business day for the President and within a maximum of five business days for the other members, with the possibility of new selections at any time, provided that changes in the Organizational Structure require them.

§2<sup>nd</sup> - In the event that the deadlines set for the respective selections above are not met for any reason, the following shall be established:

- a) Those members of the Board of Directors who may have been reelected shall reassume the same executive positions they held at the time of reelection;
- b) If the President from the previous term is not reelected in the above scenario, the oldest member of the Board of Directors shall assume the Presidency, who shall appoint the holders of the other positions required by the Organizational Structure and not covered by clause "a" above;
- c) For any of the eventual situations referred to in clauses "a" and "b", a provisional nature shall apply, obviously until the effective selections are possible according to §1 of this Article.

**Article 46** - The Board of Directors shall be governed by the following rules:

I - It shall convene ordinarily whenever necessary, upon summons by the President, by a majority of the Board itself, or upon request of the Fiscal Council;

II - It shall validly deliberate with the presence of a majority of its members, representation being prohibited, and decisions shall be made by a majority vote relative to the total number of members, binding all, even those absent or in disagreement;

III - Decisions shall be recorded in detailed minutes, kept in a proper record book, read, approved and signed at the end of the session by the members of the Board present.

**Article 47** - It is the responsibility of the Board of Directors, within the limits of the Law and this Statute, taking into account decisions or recommendations of the General Assembly, to make all necessary decisions for the Society that are not exclusively within the purview of the General Assembly, duties conferred upon them by Law and/or this Statute.

**Article 48** - The responsibilities of the Board of Directors include:

- a) Establishing the general direction of the Cooperative's business, as well as proposing changes to the Organizational Structure of the Society at the Executive Board level, in accordance with the provisions of this Statute;
- b) Based on these definitions, appointing the Executive Director and, if necessary, initiating their removal or replacement;

- c) Comply with Article 37, IV of this Bylaw concerning proposals related to the compensation process for the Cooperative's Management Body, respecting statutory provisions regarding said process;
- d) Approve the hiring of professionals directly subordinate to the Executive Board;
- e) Provide guidance to the Executive Directors, review the Cooperative's books and papers at any time, request information about contracts executed or under negotiation;
- f) Convene the General Assembly;
- g) Propose statutory reforms for approval by the General Assembly;
- h) Deliberate on the Management Report to be submitted to the Ordinary General Assembly;
- i) Deliberate on the Balance Sheet and other documents to be presented for consideration by the Assembly;
- j) Ensure compliance with Cooperative Laws, labor laws, tax laws, and other applicable regulations.
- l) Conduct monthly checks and assessments of the economic and financial status of the Cooperative, as well as the development of business and activities in general, through the examination of balance sheets and specific statements, and subsequently make decisions of interest;
- m) Hire the services of External Audit and review their reports, taking appropriate actions.
- n) Authorize, through minutes containing such deliberations, Directors to negotiate, contract loans, pledge, acquire, sell real estate and rights over property of the Society, by issuing, accepting, endorsing, or guaranteeing, with Banco do Brasil, Banco Nacional de Crédito Cooperativo, and other Banks, Promissory Notes, Bills of Exchange, Warrants, Exchange Contracts, Rural Promissory Notes, Rural Bills of Exchange, Rural Mortgage Notes, Rural Pledge Notes, and Rural Pledge and Mortgage Notes, Contracts with Agricultural and Industrial Credit Portfolios, General Credit Portfolio and Foreign Trade Portfolio of Banco do Brasil and other Banks, Mercantile and Industrial Pledge, providing the guarantees required by Banks, including the production delivered by their members, through drafting Contracts, either by Public or Private Deed. And all else that securely meets the needs of the Cooperative, subject to the provisions of clause "o" of this Article.
- o) When the contracting of loans involves encumbering real estate, the Board shall propose such contracts to the Extraordinary General Assembly, as this falls under its exclusive competence;
- p) Approve the annual budget of the Cooperative;
- q) Decide on the opening of new branches or depots.

**Sole Paragraph** - In addition to the responsibilities listed in the items of the "caput" of this Article, all other duties explicitly provided for in the texts of various other Articles of this Statute are also included.

**Article 49** - It is the President's responsibility:

- a) To exercise directive, hierarchical, as well as motivational action over the other Directors of the Cooperative;
- b) To chair meetings, as well as to executively support all determinations of the Board of Directors;
- c) To define macro-policies and establish guidelines concerning major points of concentration of efforts of the Society, in accordance with the general guidelines established by the Board of Directors;
- d) To ensure, through personal action as well as through acts of other Directors of the Cooperative, by delegation, the preservation and optimization of the Institutional Image of the Society, with the Federal, State, and Municipal Governments, Public Bodies, Professional Associations, and other Institutions, and, in general terms, with the external public of interest, both at regional and national levels, as well as internationally;
- e) To evaluate the results and performance of the activities of the holders of executive positions, as well as to promote their development;
- f) To dedicate oneself to the general supervision of the Cooperative's activities, aiming to ensure its continuity, growth, and the proper management of its members' capital;
- g) To represent the society in and out of court, being able, however, to delegate this authority to another Director, Counselor, or classified employee through an appropriate instrument;
- h) To convene and preside over General Assemblies and meetings of the Board of Directors;
- i) To sign, jointly with another Executive Director, checks and other documents involving the movement of funds;
- j) To co-sign with another Executive Director contracts, deeds, and documents that may encumber the Cooperative;
- l) To sign nominative titles of the members;
- m) To present to the Board of Directors the Annual Report, Balance Sheets, Accounts, and the Opinion of the Fiscal Council;
- n) To grant, with another Executive Director, powers of attorney to third parties with full powers to represent the Society in transactions where such procedure is deemed advisable or convenient;
- o) To fulfill other duties as determined by the texts of this Social Statute.

**Sole Paragraph** - The practice of any acts corresponding to these attributions within the competence of the President by another member of the Board of Directors implies a presumption of formal delegation by the President or a resolution of the Board of Directors in their absences. Such delegations must be recorded in proper documents and/or minutes of meetings of the Board of Directors.



**Article 50** - It is the responsibility of the Executive Directors:

- a) To jointly develop with the President policies and strategies related to the operations and services within their areas of management;
- b) To implement these strategies, and when necessary, incorporate changes and feedback;
- c) To define the operational objectives of these planned strategies and ensure their compliance by the involved parties, taking responsibility for achieving these objectives before the Board of Directors of the Cooperative;
- d) To exercise directive, hierarchical, as well as motivational action over the Managers and/or Advisors directly subordinate to them;
- e) To take responsibility for all assignments within their Executive Directorate;
- f) To handle acts and actions delegated by the President or other members of the Board of Directors for the entire period during which such delegation remains effective;
- g) To co-sign with the President, or another Executive Director, the instruments mentioned in Article 49, sections "i" and "j";
- h) To approve the hiring or dismissal of direct subordinates of the professionals referred to in section "d" of Article 48.

**Sole Paragraph** - The practice of any acts corresponding to the responsibilities of an Executive Director by another Executive Director implies a presumption of formal delegation by the titular Director or a resolution of the Board of Directors. Such delegations must be recorded in proper documents and/or minutes of meetings of the Cooperative's Board of Directors.

**Article 51** - According to clause IV of Article 37 of this Social Statute, it shall be the responsibility of the Assembly where the election of the members of the Board of Directors takes place to approve propositions regarding the remuneration process of the Directors so elected. It is the responsibility of the Board of Directors to present these propositions to the Assembly, in accordance with what is established in clause "c" of Article 48 of the same Statute.

**Article 52** - Propositions regarding the remuneration process of the members of the Board of Directors must necessarily comply with the following statutory determinations:

- a) Non-executive members of the Board of Directors shall receive Attendance Fees for attending meetings equivalent to the average determined from surveys conducted among companies of similar size and nature, such as publicly traded corporations whose Board of Directors are elected by Assemblies;
- b) The same procedure shall be adopted for calculating the Attendance Fees of the members of the Fiscal Council;
- c) Members of the Board of Directors appointed as Executive Directors and chosen as holders of the Executive Directorate shall not receive Attendance Fees.

**Article 53** - Only the Executive Directors who have effectively and fully performed the functions and responsibilities provided for in their respective profiles within the Board of Directors as stated in this Social Statute shall be entitled to the components of the remuneration process specified in this Article:

- a) Monthly remuneration (pro-labore), with a value corresponding to the average determined from surveys conducted among companies of similar size and nature, adjusted by the same indices and on the same occasions as mandatory legal adjustments for contracted management staff;
- b) Approval by the National Council of Cooperativism, 20 CNC, dated October 30, 1981, of the extension to non-employee Directors of the Regulations of the FGTS - Severance Indemnity Fund.

**Article 54** - Any member of the Board of Directors who participates individually or jointly in an act or corporate operation where the nature of the Cooperative is concealed shall be personally liable for the obligations contracted on behalf of the Cooperative, without prejudice to applicable criminal penalties.

§1<sup>st</sup> - The members of the Board of Directors, as well as those of the Fiscal Council, and liquidators, are equated to administrators of Publicly Held Corporations for the purposes of criminal liability.

§2<sup>nd</sup> - Without prejudice to actions available to any member, the Cooperative, represented by its directors or by an associate chosen in a General Assembly, has the right to take legal action against the Directors who are members of the Board of Directors to enforce their liability.

§3<sup>rd</sup> - Furthermore, administrators, understood as members of the Board of Directors, Fiscal Council, and Executive Directorate, are prohibited from:

- a) Engaging in acts of liberality at the expense of the Cooperative;
- b) Borrowing resources or assets from the society, or using its assets, services, or credit for personal benefit or that of third parties, except in the context of cooperative acts between them and the Cooperative;
- c) Receiving any benefit directly or indirectly from associates or third parties as a result of their position;
- d) Participating in or influencing decisions on matters of personal interest, and they must declare the reasons for their disqualification;
- e) Operating in any of the economic fields of the Cooperative or engaging in activities performed by it;
- f) Supplying goods or services to the Cooperative under any pretext, even though bidding or competition, except for those related to cooperative acts between them and the Cooperative. This prohibition extends to spouses, ascendants, descendants, and collateral relatives up to the second degree by consanguinity or affinity.

§4<sup>th</sup> - Administrators shall be personally liable for damages caused to the Cooperative, including the requirement to refund received amounts plus compensatory charges, when they:

- a) Violate the law or the Statute;
- b) Act within their duties or powers with negligence or intent.

**Article 55** - Ineligible for election to the Board of Directors and the Fiscal Council, in addition to those legally barred:

- a) The associate who establishes an employment relationship with the Cooperative, the agent of commerce or administrator of a legal entity operating in one of the economic fields or engaging in activities of the Cooperative, their respective spouses, as well as individuals barred by law or the Social Statute, and those convicted of crimes that temporarily restrict access to public office, or bankruptcy, misconduct, bribery or corruption, extortion, embezzlement, offenses against public economy, public trust, or property.
- b) The spouse, ascendants, descendants, or collateral relatives up to the second degree by consanguinity or affinity, of the members of the statutory bodies of the Cooperative.
- c) Members of the Fiscal Council in office within the six months preceding the date of the election Assembly, in the case of the election of members of the Board of Directors.
- d) The Associate who has held and/or run for an elective public office in the last 4 (four) years.
- e) The Associate currently holding a non-elective public office.
- f) The Associate who is not in compliance with their duties and obligations as stated in the Social Statute.
- g) The Associate who has initiated any judicial action against the Cooperative.

**Article. 56** - The associate, even if holding an elective position within the Cooperative, who has a conflicting or opposing interest in any operation, shall not participate in deliberations concerning such operation. It is their duty to declare their impediment.

## **SECTION V**

### **ABSENCES AND DELEGATIONS**

**Article 57** - In specific cases of delegations as already provided in preceding paragraphs, the regulations established in this Statute shall be followed.

**Sole Paragraph** - Delegations recorded in the minutes of decision-making bodies or in a specific book shall be considered formal and as such legally binding for the purposes they are intended.

**Article 58** - In the event of absence or temporary impediment of the President or any other Executive Director, matters that should be resolved by them shall either await their presence or be resolved through explicit delegation, as outlined above.

**Sole Paragraph** - In the absence of clear and secure designations regarding the above, it shall be the responsibility of the Board of Directors, by decision of its members, to make necessary decisions, including defining specific responsibilities for the Directors present, in accordance with the operating rules of this Board.

## CHAPTER VII

### THE FISCAL STRUCTURE

#### SECTION I

##### FISCAL COUNCIL

**Article 59** - The administration of the Cooperative shall be supervised by a Fiscal Council.

§1<sup>st</sup> - The Fiscal Council shall consist of 6 (six) members, 3 (three) effective and 3 (three) substitutes, any of whom may replace any of the former, all associates, elected by the General Assembly for a term of 1 (one) year, with removal or re-election permitted, the latter for the immediate period, of only 1/3 (one third) of its members.

§2<sup>nd</sup> - The elections for the Fiscal Council, for a term of 1 (one) year, in accordance with §1 of this Article, shall be conducted by the Electoral Commission established under §1<sup>st</sup> and §2<sup>nd</sup> of Article 44 of this Statute, and shall follow the process outlined below:

I - Every associate in full enjoyment of their rights may run for a position as a member of the Fiscal Council, provided they meet all legal and statutory conditions;

II - Each individual candidate must be part of a slate of 6 (six) candidates, with mandatory indication of the slate's coordinator;

III - The slate must be filed at the Cooperative's Secretariat at least 35 (thirty-five) consecutive days prior to the date of the General Assembly, by 18:00 (six o'clock

hours);

IV - Ineligible to run for or be part of the Fiscal Council, in addition to those listed in Article 55 of this Statute, are members who are related up to the 2nd degree, either directly or collaterally, with each other or with members of the Board of Directors;

V - For a slate to be considered eligible for registration, it must meet the following requirements:

a) It must consist of candidates who are not enrolled in the same Core/Branch of COOXUPÉ with each other or with members of the Board of Directors, limited to one candidate per Core/Branch;

b) A candidate who is individually enrolled in one Core/Branch and is a titular member in a condominium enrollment in another Core/Branch, respecting clause "a" of this item, may choose which of these Core/Branches will be presented for the purpose of the following clause of this item;

c) Each candidate must have been presented, with a supporting list subscribed by at least 5% (five percent) of the associates enrolled in the Core/Branch where the candidate is enrolled, subject to the previous clause of this item. After the publication of the Assembly's Call Notice, each Core/Branch will post a list of its associates on a notice board for their information;

d) It must have been presented, with a supporting list subscribed by at least 5% (five percent) of the total number of Cooperative associates, as stated in the Assembly's Call Notice, including the percentage indicated in the previous clause of this item.

e) It shall appoint a representative, not part of the slate, to oversee the voting and counting of election results;

f) Submit, for each candidate, a signed authorization for their inclusion in the slate, and, for the purposes of Article 55(a) of these Bylaws, a negative clearance certificate from the civil and criminal courts of the Districts where they have resided in the last 5 (five) years, as well as from the Districts where they own property. In case of a positive certificate, the "status and progress" certificate of each process must be presented;

g) Be composed of members, natural persons, who in addition to meeting legal and statutory requirements, can prove:

g.1) Membership for more than 4 (four) years, either individually enrolled or as a principal member in jointly enrolled membership, meaning in membership of members in condominium;

g.2) Submission of the Income Tax Return for the last fiscal year;

g.3) Not being ineligible as per Article 55 of these Bylaws;

VI - For the purposes of the provision in item "V" of this Article, no member may present more than 1 (one) slate, under penalty of their name being eliminated from any other slate(s) in which their name appears and has been submitted to the Cooperative's Secretariat in subsequent order after the first slate presented by them;

VII - The slate registration request, filed with the Cooperative's Secretariat as per item III of this Article, along with the list of endorsements, shall be made available to any member at the Cooperative's headquarters for consultation. In the event of an objection being presented, it must be forwarded by the interested member to the slate coordinator, in accordance with the following:

a) Within 2 (two) business days, until 6:00 p.m., counted from the deadline for slate submission, the slate coordinator may present any objections, through a written and reasoned petition to be received and judged by the Electoral Committee;

b) Within 5 (five) business days, until 6:00 p.m., counted from the previous item of this provision, the Electoral Committee will examine and decide whether the slate is eligible for registration and will also judge any objections;

c) Within 3 (three) business days, until 6:00 p.m., counted from the previous item of this provision, the slate coordinator will endeavor to rectify any irregularities as determined by the Electoral Committee's judgment, under penalty of the slate being considered ineligible for election registration. Within this same period, an appeal may be filed by the slate coordinator if they disagree with the Electoral Committee's judgment;

d) Within 2 (two) business days, until 6:00 p.m., counted from the previous item of this provision, the Electoral Committee will judge any appeal that may have been filed. This judgment will be final;

e) Within 2 (two) business days, until 6:00 p.m., counted from the previous item of this provision, the Slate Coordinator must endeavor to rectify any irregularities as determined by the Electoral Committee's judgment, under penalty of the slate being considered ineligible for election registration;

f) Within 1 (one) business day, until 6:00 p.m., counted from the end of the deadline specified in the previous item of this provision, the slate considered eligible by the Electoral Committee shall be registered.

VIII - Candidates for the Board of Directors and the Fiscal Council shall form a single slate, although independent of each other, whenever there is an election for the former;

IX - Any omissions shall be regulated by the Board of Directors.

§3<sup>rd</sup> - Members of the Fiscal Council are liable for damages resulting from failure to fulfill their duties and violations of the law or the Bylaws, and for acts committed with negligence or intent.

**Article 60** - The Fiscal Council shall meet ordinarily once a month and, extraordinarily, whenever necessary, with the participation of three of its members.

§1<sup>st</sup> - At its first meeting, it shall elect, among its effective members, a Coordinator, responsible for convening meetings and presiding over their proceedings, and a Secretary.

§2<sup>nd</sup> - Meetings may be convened by any of its members, upon request of the Board of Directors, or the General Assembly.

§3<sup>rd</sup> - In the absence of the Coordinator, the duties shall be divided among a substitute chosen on the occasion.

§4<sup>th</sup> - Decisions shall be made by simple majority of votes, representation being prohibited, and shall be recorded in the Minutes, drawn up in the appropriate book, read, approved, and signed at the end of each meeting by the three attending auditors.

**Article 61** - In the event of three vacancies on the Fiscal Council, the Board of Directors shall convene the General Assembly to fill them.

**Article 62** - It is the responsibility of the Fiscal Council to diligently oversee the operations, activities, and services of the Cooperative, including, among others, the following responsibilities:

- a) Ensure that the acts of the administrators fulfill their legal and statutory objectives;
- b) Review the monthly balance sheets and other financial statements, the annual balance sheet and report of the Board of Directors, issuing opinions on these to the General Assembly;
- c) Inform the Board of Directors of the conclusions of its work, reporting to it, and if it fails to take necessary actions to protect the interests of the Cooperative, report irregularities to the General Assembly or competent authorities and suggest actions beneficial to the Cooperative;
- d) Convene the General Assembly in case of serious or urgent reasons, or when deemed necessary;
- e) Request the Board of Directors to contract an Independent Audit if the Cooperative does not have such services available under contract, in which case these services may be used by the members of the Fiscal Council.

## **SECTION II**

### **THE BOOKS**

**Article 63** - The Cooperative must necessarily have the following Documents:

- I - Membership Registration;
- II - Book of Minutes of General Assemblies;
- III - Book of Minutes of Board of Directors Meetings;
- IV - Book of Minutes of the Fiscal Council;
- V - Attendance Register of Members at General Assemblies;
- VI - Other documents of explicit fiscal and accounting obligation.

**Article 64-** In the Membership Registration Document, members are registered in chronological order of admission, containing:

- I - Name, marital status, nationality, profession, and residence;
- II - Date of admission and, when applicable, date of resignation, elimination, or exclusion;
- III - Account balance of their respective shares in the Social Capital.

## **SECTION III**

### **BALANCE SHEET, SURPLUS, LOSSES AND FUNDAS**

**Article 65** - The General Balance Sheet, including the comparison of revenue and expenses, shall be prepared on December 31st of each year.

§1 - The results shall be determined separately, according to the nature of operations or services.

I - Subject to the proportion of revenue from members and non-members in relation to the total revenue of the Cooperative, the result of financial investments with members shall be allocated to retained earnings, in accordance with Article 66 of this Social Statute.

II - Results arising from equity method investments and investments valued at acquisition cost in non-cooperative societies shall be allocated to retained earnings, in accordance with Article 66 of this Social Statute.

§2 - A 20% (twenty percent) Administration Fee per annum shall be charged on unclaimed credits by members, calculated on the value of such credit, which shall revert to the Reserve Fund, as well as the proceeds from fees charged on quota-part transfers, undesignated donations, and any surplus from specific funds.

§3 - The Annual Financial Statements shall be audited by an independent auditor and shall include:

- I - Balance Sheet;
- II - Statement of Retained Earnings and Losses;
- III - Statement of Changes in Equity;
- IV - Statement of Cash Flows;
- V - Explanatory Notes.

**Article 66** - From the retained earnings verified in each sector of activities, the following percentages shall be deducted:

- a) 30% (thirty percent) for the Reserve Fund - F.R.;
- b) 15% (fifteen percent) for the Technical, Educational, and Social Assistance Reserve Fund - FATES;
- c) 10% (ten percent) allocated to the Fund for Capital Account Increase;
- d) 15% (fifteen percent) for the Development Fund.

§1<sup>st</sup> - The percentages established in items "a", "b", and "d" of this Article's main clause, as recorded in Articles 66A, 67, and 68, constitute indivisible funds and shall be treated as such both in accounting and administrative terms. The percentage set forth in item "c" shall be credited to the Capital Account of the member cooperative, respecting the proportion with which each member contributed to the total revenue of the Cooperative.

§2<sup>nd</sup> - After complying with the provisions established in the main clause of this Article and in §1<sup>st</sup>, and also respecting what is provided in Article 70 of this Social Statute, 10% (ten percent) of the surplus shall be calculated, and this amount shall be distributed to members in proportion to specific operations they conducted with the Cooperative. The remaining balance of 20% (twenty percent), upon proposal by the Board of Directors, shall be subject to deliberation by the General Assembly.

§3<sup>rd</sup> - Similarly, verified losses not covered by the Reserve Fund shall be allocated among members, after approval of the Balance Sheet by the Ordinary General Assembly, in proportion to specific operations conducted with the Cooperative.

**Article 66A** - The Development Fund is intended for investment in infrastructure, new technologies, and working capital investment, and is equally indivisible.

**Article 67** - The Reserve Fund is indivisible among the members and is intended to cover any losses of any nature and to support the development of the social activities of the Cooperative, particularly in expanding and innovating operational sectors.

**Article 68** - The Technical, Educational, and Social Assistance Fund - FATES is intended for educational activities, providing assistance to members, their families, and Cooperative employees, and is equally indivisible.

**Article 69** - Members who have been dismissed, eliminated, or excluded have no rights over the indivisible funds.

**Article 70** - In addition to the funds provided for in Article 66 of this Statute, the General Assembly may create other funds, including revolving funds, with resources earmarked for specific purposes.



## **SECTION IV**

### **DISSOLUTION AND LIQUIDATION**

**Article 71** - The Cooperative shall be dissolved by operation of law:

I - When so resolved by the General Assembly, provided that the members, totaling the minimum number required by these Bylaws, are not willing to ensure its continuity;

II - Due to a change in its legal form;

III - Due to the reduction of the minimum number of members or minimum Social Capital if, by the subsequent General Assembly held within a period not less than 6 (six) months, they are not restored;

IV - Upon cancellation of the authorization to operate;

V - Due to cessation of its activities for more than 120 (one hundred and twenty) days.

Sole Paragraph - When the dissolution of the Cooperative is not voluntarily promoted, in the cases provided for in this Article, the measure must be taken judicially, at the request of any member, or by initiative of the competent Federal body.

**Article 72** - When dissolution is resolved by the General Assembly, it appoints an additional liquidator and a Fiscal Council of 3 (three) members to proceed with its liquidation.

§1<sup>st</sup> - The liquidation process can only be initiated after a hearing with the competent Federal body.

§2<sup>nd</sup> - The General Assembly, within the limits of its powers, may at any time dismiss the liquidators and members of the Fiscal Council, appointing their substitutes.

**Article 73** - The liquidator must proceed with the liquidation in accordance with the provisions of the Cooperative Law.

## **CHAPTER VIII**

### **GENERAL AND TRANSITIONAL PROVISIONS**

#### **SECTION I**

#### **GENERAL PROVISIONS**

**Article 74** - The funds referred to in items "a", "b", and "d" of Article 66 of these Bylaws are indivisible among the members, and in the event of the Society's liquidation, they shall be allocated according to the decision made by the Assembly that ratifies the liquidation.

**Article 75** - Any matters not provided for herein shall be resolved in accordance with the Law, doctrinal principles, provisions issued by Provisional Measure 1,715-2 of October 29, 1998, and guidelines from RECOOP, as applicable.

## **SECTION II**

### **TRANSITIONAL PROVISIONS**

**Article 76** - In accordance with the requirements of Provisional Measure 1,715-2 of October 29, 1998, Article 3, and the regulatory norms of RECOOP, the Cooperative Development Plan, subject to evaluation by the program, must be approved at a General Assembly by a simple majority of the members.

**Article 77** - During the validity of the program, technicians designated by the Federal Government are guaranteed access to data and information related to the implementation of the Cooperative Development Plan approved by RECOOP.

***Approved by the Extraordinary General Assembly on November 25, 2022.***



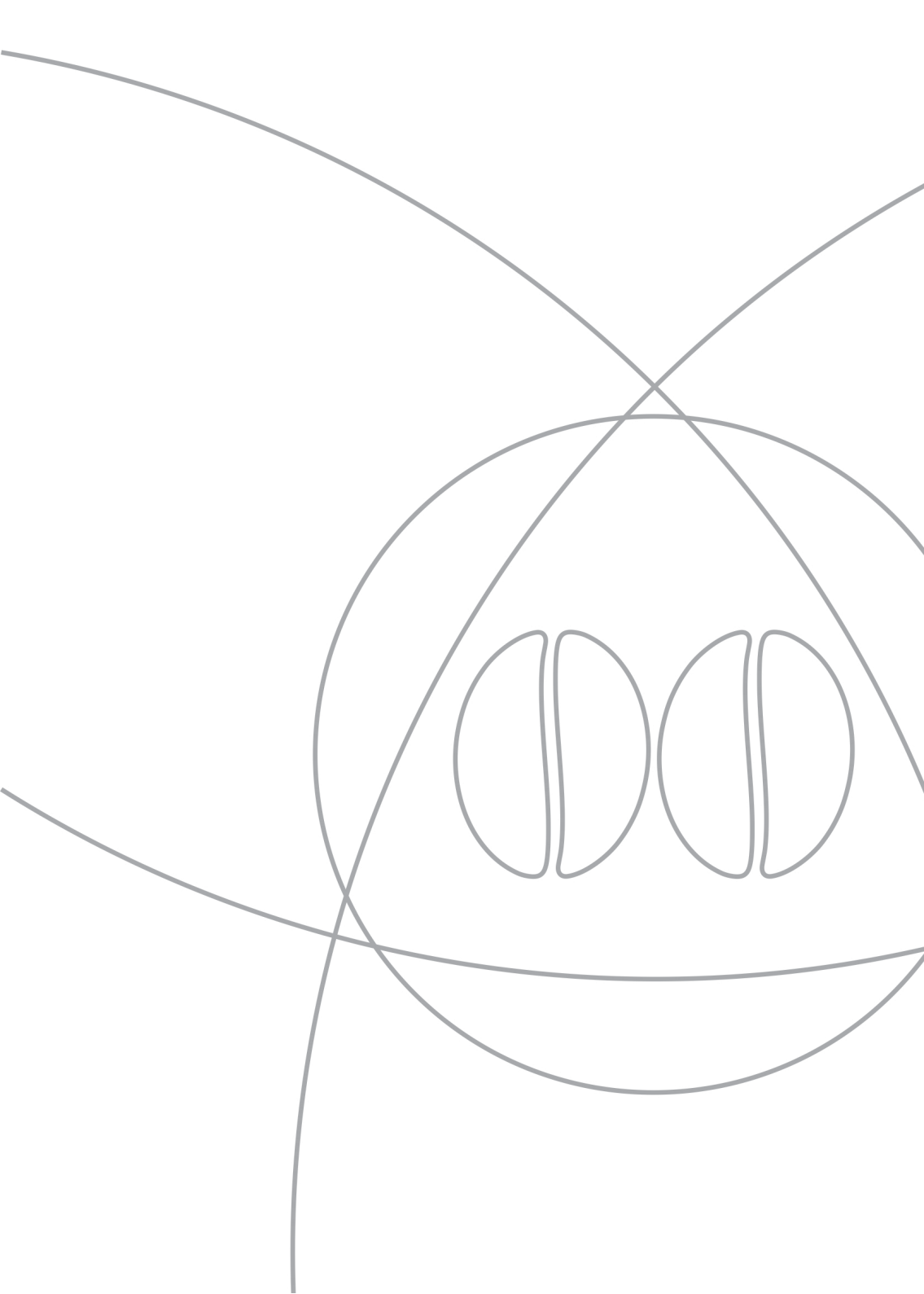


Junta Comercial do Estado de Minas Gerais

Certifico o registro sob o nº 9719664 em 02/12/2022 da Empresa COOPERATIVA REGIONAL DE CAFEICULTORES AXUPE LTDA COOXUPE, Nire 31400012982 e protocolo 226068803 - 30/11/2022. Autenticação: C6DED89DFDEA5B9BF4F3EF772E6A00C31172. Marinely de Paula Bomfim - Secretária-Geral. Para validar este documento, acesse <http://www.jucemg.mg.gov.br> e informe nº do protocolo 22/606.880-3 e o código de segurança gEGu Esta cópia foi autenticada digitalmente e assinada em 02/12/2022 por Marinely de Paula Bomfim, Secretária-Geral.

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